

City of Corunna Economic Development Fund

The City of Corunna, through its participation in the Michigan Small Cities Program, has funds available for either outright grants or low interest loans. The intent of the EDF is to promote economic growth and improvement in the City of Corunna.



All businesses within the city limits are eligible to apply for this money. Applications are scored on

a point system with preference given to projects that create employment opportunities and/or benefit the majority of Corunna City Residents.

Guidelines & Considerations:

1. **Funds May Be Either Granted or Loaned.** Subject to guidelines set by the State, funds may be either given as an outright grant or loaned at a low interest rate.
2. **Overall Value to the City of Corunna.** All applicants are considered and decisions are made accordingly to the project's overall merit and value to the majority of residents of the City.
3. **Location of Project.** Eligible projects are those located within the City of Corunna.
4. **Consideration of Applicants.** All applicants are reviewed by a Board of Corunna residents who are appointed by City Council and whose recommendations regarding each one are subject to the State's approval.

Eligible Activities

- Land and Building Acquisition
- New Construction or Renovation
- Machinery and Equipment
- Leasehold Improvements
- Land Improvements
- Working Capital (in certain circumstances)

Conditions

1. **LOAN AMOUNT:** Loan or grant amounts are always subject to the availability of funds. There is no minimum.
2. **INTEREST RATES:** With loans, the interest rate will be determined by the Economic Development Fund Board. Typically, funds are obtained at Prime Rate minus .50%.
3. **TERM:** The term of loan typically is:
 - Real Estate-max. term is 20 yrs.
 - Machine/Equipment-max. term is 15 yrs.
 - Working Capital-max. term five yrs.
4. **COLLATERAL:** Whether or not collateral is required will be determined by the EDF Board, according to State guidelines.
5. **REPAYMENT:** The amortization and repayment schedule will be tailored to the needs of the project, but should include provisions for repayment of the loan over its life rather than a balloon payment at the end of the term of the loan. In some circumstances, principal and interest payments may be deferred for up to one year.

Application and Review

Applications are available at Corunna City Hall (address is below). Applications may be submitted at any time and will be processed in the order received. An application must include a completed Corunna Economic Development Fund application form along with all the required attachments.

Preliminary reviews of all loan applications that are received are conducted by the Economic Development Fund Board members. The Board then reviews the applications and, based on the merits of the project in relation to the EDF standards, the loan will then be recommended to the state for approval or denial.

For further information on this loan program, and the availability of funds, please contact:

**Nichole Smolinski, Treasurer or
Joe Sawyer, City Manager**

**City of Corunna
402 N. Shiawassee St.
Corunna, MI 48817**

**Phone: 989-743-3650
Fax: 989-743-4417
Office Hours: 9-4:30, M-F**

EDF Application Checklist

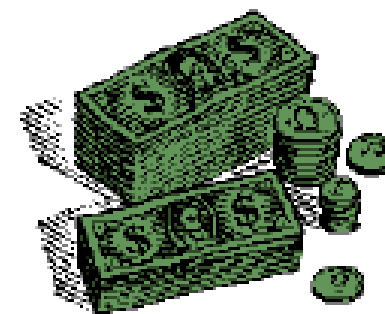
All applications to the Economic Development Fund Board must include the following:

1. Completed application
2. \$50.00 application fee
3. Tax returns from the past two years, including personal property
4. Year-to-year and most recent annual financial statements
5. Business plan (two-year minimum)
6. Copy of any rent or lease agreements relative to this venture
7. Copies of any loan agreements relative to this venture
8. Statements of plans for the use of the funds, if approved
9. Statement of other funding sources to be used in this venture
10. Statement of applicant's contribution to this venture
11. Amount and type of insurance policies, if any
12. List of personal assets you would pledge, as a guarantee, if required

NOTE: Applicant must submit six complete copies of the application and all other requested information.

City of Corunna

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**A FUNDING PROGRAM
FOR SMALL
OR EXPANDING
BUSINESSES**